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SUBJECT: LUKASHENKO PRAISES ECONOMY, SEEKS BETTER RELATIONS WITH
WEST, U.S. IN INDEPENDENCE DAY SPEECH

¶1. (U) SUMMARY: President Aleksandr Lukashenko gave his Independence Day address on July 1 at the Palace of the Republic. He vowed that Belarusians would never forget the sacrifices their families made during WWII and thanked survivors for rebuilding Belarus into a strong nation. He then praised Belarus' economic success, not forgetting to remind the audience that most of Belarus' accomplishments happened under his rule. He directly mentioned U.S. relations, claiming Belarus was ready for dialogue, but it was up to the USG to understand Belarus' position. As usual, the President criticized Western pressure and warned foreign investors that they were not to make profits at the expense of government stability or the standard of living. He criticized privatization, citing the Beltransgaz row with Russia, and stressed that although Belarus' top priority was the Russian-Belarus Union, Belarus would maintain its sovereignty. Lukashenko did not stray much from his written text, avoiding much of the quirky comments that typify his speeches. END SUMMARY.

All Our Success Is On My Watch

¶2. (U) On July 1, Lukashenko told the lethargic audience of veterans, students, and government officials that Belarus' success did not appear out of thin air, but was the result of the people's years of hard work. He also did not fail to mention that most of the country's success happened in the last ten years. Not long ago the economy was practically ruined and the government was weak and unable to protect its own people. Now the standard of living continues to rise, citizens do not feel left out or unwanted by their government, the youth have equal opportunities to receive an education and guaranteed work, and production levels have exceeded those during Soviet times. The result is a democratic society that operates better than many Western democracies.

We Need To Do More

¶3. (U) Lukashenko lauded Belarus' development while under his rule, but stressed that Belarusians must work harder if they wanted to be rich, self-sufficient, and maintain their independence. Since Belarus does not have natural resources, it must protect and foster human intellect and a good work ethic. Therefore, the GOB supports the National Academy of Sciences and educational institutions for its citizens. Lukashenko cited the National Library (reftel) as one of their successes and considered it a symbol of a new era for Belarus. In return, citizens must work to modernize Belarus' industries to ensure that Belarus achieves a high status among industrialized nations.

Be Wary of Foreign Investment

¶4. (U) Belarus is ready for foreign investment, Lukashenko stated, but warned that Belarusians could be left empty-handed should they rely too much on foreign capital. Citizens constantly hear that if they attract investment from the West and East, "paradise" will follow. However, businesses financed and built by outsiders would not be owned nor controlled by the GOB. Investors want special treatment and better conditions than those offered by neighboring countries, such as fewer taxes or none at all. Foreign businesses may provide jobs, but Belarus has proven that it can provide jobs for its citizens, which is why the unemployment remains only 1.5 percent. Furthermore, foreign businesses will not offer better pay, because capitalists are not willing to divide their profits.

No to Privatization

¶5. (U) The President criticized privatization, citing the row with Russian gas giant GAZPROM over the ownership of Belarus' pipeline company Beltransgaz. Lukashenko claimed he was not against privatization, especially if Russians are involved, but not even the President had the right to sell Belarusian assets at below market price. As Lukashenko put it, if bidders did not want to pay the full price for a Belarusian enterprise, then "Da Svidanya" (good-bye).

Better EU Relations

¶6. (U) Lukashenko noted that Belarus' top priority was to develop the Belarusian-Russian Union state, but it would be a union of sovereign nations. Belarus was strengthening relations with Poland, Latvia, and Lithuania, to which Lukashenko wryly added, "We cannot chose our neighbors." He pointed China out as Belarus' most important political partner in the 21st Century. However,

Lukashenko spoke more on increasing trade with the EU, which he said was Belarus' second largest trading partner. Lukashenko claimed Belarus was ready to develop economic and political relations with EU, but only on equal terms.

Better Relations With U.S. Depends On USG

¶7. (U) Lukashenko claimed Belarus was also ready for a dialogue with the U.S., but relations depended entirely on how quickly the U.S.' ruling elite realized that Belarusians are a wise, proud, and honorable people who should be respected. The President opined that Americans need to refresh their memory about historic events, the living witnesses of which are growing smaller in number, and remember that Belarus and the U.S. were on the same side of the barricade fighting fascism together.

The Triumphant Epilogue

¶8. (U) In conclusion, Lukashenko maintained that Belarus had made significant progress since its 1944 liberation from Nazi control. Now Belarus had relations with governments on all continents and has an active role in international organizations, including the UN. Belarusians have built their future, are on the right path, and will continue to develop the country. Success depends on the people, but if they are not united, then they will not be victorious.

Comment

¶9. (SBU) A calm speech by Lukashenko standards, it was consistent with his Lukacentric vision of Belarus' recent past and future. Although long winded about Belarus' economic miracles, Lukashenko stayed on point and avoided rash statements that characterize his presentations. The unusually brief remarks on Russia, whom Lukashenko usually spends much time lauding reflects the current tension in relations with Russia. Mentioning the Baltic States, the EU, and the U.S. may be a gesture to the West to help offset

Russia's pressure on Belarus, but his remarks also indicated that he remains unwilling to satisfy the West's demands for political and economic reform.

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